

Exceptions to the Irrevocability Rules – Mid-year Changes (revised June 1, 2004)

Medical & Dental Insurance

Health Care FSA

Dependent Care FSA

Optional Life (not subject to Salary Reduction Plan or Section 125 regulations)

#1 – Qualified Change in Status Event

A. Change in Employee's Legal Marital Status that affects Eligibility

1. Gain Spouse (e.g., marriage)

Employee may enroll or add newly-eligible spouse and dependent children.

Note: Under IRS “tag-along” interpretation, new and preexisting dependents may also be enrolled.

Employee may revoke or decrease employee's or dependent's coverage only when such coverage becomes effective or is increased under the spouse's plan.

Must submit change request within 31 days of Change in Status Event.

New Election is effective the first of the month following the marriage or the first of the month following submission of the change form if later.

See #6 – HIPAA Special Enrollment Rights.

Employee may enroll or increase HCFSA contribution.

Must submit change request within 31 days of marriage.

New Election is effective the first of the month following the marriage or the first of the month following submission of the change form if later.

Employee may enroll or increase DCFSA contribution to accommodate newly-eligible dependents.

Employee may revoke election if new spouse is not employed.

Employee may reduce contribution if new spouse contributes to his or her employer's plan since combined family maximum cannot exceed \$5000 a year.

Must submit change request within 31 days of marriage.

New Election is effective the first of the month following the marriage or the first of the month following submission of the change form if later.

Employee may enroll or increase coverage for Employee, Spouse or Dependent Child.

Guarantee Issue provisions apply.

Marriage is a “Life Change Event” under Group Term Life.

Must apply within 31 days of marriage.

Coverage up to the Guaranteed Issue amount will be effective the first of the month following the marriage.

If applying for coverage in excess of the Guaranteed Issue amount, coverage will be effective the first of the month following underwriting approval. A Medical History Statement is required.

2. Lose Spouse (e.g., death, divorce, legal separation, or annulment)

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Employee may revoke coverage for spouse only. “Tag-along” concept does not apply to revocations or reductions in coverage.

Employee may elect coverage for self or dependents that lose eligibility under spouse’s plan as a result of the divorce, legal separation, annulment, or death. Under IRS “tag-along” interpretation, any dependents may be enrolled so long as at least one dependent has lost coverage under spouse’s plan.

Must submit change request within 31 days of Change in Status Event.

New Election is effective the first of the month following the date of death, divorce or annulment or the first of the month following submission of the change form if later.

Health Care FSA

Employee may decrease HCFSA contribution to reflect loss of spouse’s eligibility.

Must submit change request within 31 days of Change in Status Event.

New Election is effective the first of the month following the date of death, legal separation, divorce or annulment or the first of the month following submission of the change form if later.

Dependent Care FSA

Employee may enroll or increase DCFSA contribution to accommodate newly-eligible dependents (e.g. due to death of non-working spouse)

Employee may reduce contribution to zero if eligibility is lost (e.g. due to dependent now residing with ex-spouse).

Must submit change request within 31 days of Change in Status Event.

New Election is effective the first of the month following the date of death, divorce, legal separation or annulment or the first of the month following submission of the change form if later.

Optional Life

(not subject to Salary Reduction Plan or Section 125 regulations)

Spouse life insurance coverage must be cancelled.

Coverage ends on the date of death, divorce, legal separation, or annulment.

Premium is payable for the month in which the loss occurred.

B. Change in the Number of Employee’s Tax Dependents Eligible for Coverage

1. Gain Dependent (e.g., birth, adoption, placement for adoption, marriage)

Employee may enroll or increase coverage for newly-eligible dependent (and any other

Employee may enroll or increase contribution to accommodate newly-eligible dependent.

Employee may enroll or increase contribution to accommodate newly-eligible dependents (and any other

Birth or Adoption by Employee is a Life Change Event under the Group Life Insurance Plan.

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dependents that were not previously covered under IRS “tag-along” rule).		dependents who were not previously covered under IRS “tag-along” rule).	
Must submit change request within 31 days of Change in Status Event.	Must submit change request within 31 days of Change in Status Event.	Must submit change request within 31 days of Change in Status Event.	Employee may enroll or increase coverage for Employee, Spouse or Dependent Child.
New Election is effective the first of the month following date of birth, adoption, or placement for adoption, providing the change request is timely.	New election is effective the first of the month following the birth, adoption, or placement for adoption; or the first of the month following submission of the change form if later.	New election is effective the first of the month following the birth, adoption, or placement for adoption; or the first of the month following submission of the change form if later.	Guarantee Issue provisions apply.
Note: Coverage is effective on the date of birth, adoption, or placement for adoption even though premium is not payable until the next first of the month.			Must apply within 31 days of birth or adoption.
See #6 – HIPAA Special Enrollment Rights.			Coverage up to the Guaranteed Issue amount will be effective the first of the month following the birth or adoption.
			If applying for coverage in excess of the Guaranteed Issue, coverage will be effective the first of the month following underwriting approval.
2. Lose Dependent (e.g., death, attainment of limiting age, or loss of student status)			
Employee may drop coverage only for the dependent who loses eligibility	Employee may decrease contribution to reflect loss of eligible dependent.	Employee may decrease election to reflect loss of eligible dependent.	Employee must cancel coverage for ineligible dependent.
Must submit change request within 31 days of Change in Status Event.	Must submit change request within 31 days of Change in Status Event.	Must submit change request within 31 days of Change in Status Event.	Coverage will terminate the end of the month in which the dependent becomes ineligible.
New Election will be effective the first of the month following the	New Election will be effective the first of the month following the status change event, or the first of the	New Election will be effective the first of the month following the status change event, or the first of the	

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status change event, or the first of the month following submission of the change form if later.

month following submission of the change form if later.

month following submission of the change form if later

C. Change in Employment Status of Employee, Spouse, or Dependent That Affects Eligibility

1. Commencement of employment by spouse or dependent or other employment event triggering eligibility under spouse's or dependent's plan

Employee may revoke or decrease employee's, spouse's, or dependent's coverage, but only if employee, spouse or dependent is added to spouse's or dependent's plan.

Not applicable.

Employee may enroll to reflect new eligibility (e.g. if spouse previously did not work).

Not applicable

Must submit change request within 31 days of Change in Status Event.

Must submit change request within 31 days of Change in Status Event.

New election will be effective the first of the month following the date of the status change event or the first of the month following submission of the change form if later.

New election will be effective the first of the month following the date of the qualifying status change event or the first of the month following submission of the change form if later.

2. Termination of employee's employment or other change in employment status resulting in a loss of coverage.

Coverage ends the last day of the month of termination of employment or loss of eligibility.

Coverage ends the last day of the month of termination of employment or loss of eligibility.

Coverage ends the last day of the month of termination of employment or loss of eligibility.

Coverage ends the last day of the month of termination of employment or loss of eligibility.

3. Termination and rehire within 30 days

Prior elections at termination are reinstated with no break in coverage unless another event has occurred that allows a change. Missed

Prior elections at termination are reinstated with no break in coverage unless another event has occurred that allows a change. Missed

Prior elections at termination are reinstated with no break in coverage unless another event has occurred that allows a change. Missed

Prior elections at termination are reinstated with no break in coverage. Missed contributions must be made up.

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contributions must be made up.	contributions must be made up.	contributions must be made up.	
4. Termination of spouse's or dependent's employment (or other change in employment status resulting in a loss of coverage under their employer's plan)			
Employee may enroll or increase election for employee, spouse or dependents who lose coverage under spouse's or dependent's employer's plan. In addition, other previously eligible dependents may also be enrolled under "tag-along" rule.	Employee may enroll or increase election for employee, spouse or dependents who lose coverage under spouse's or dependent's employer's qualified HCFSa plan.	Employee may revoke election to reflect loss of eligibility for coverage (e.g. if spouse is not employed).	Not applicable
Must submit change request within 31 days of Change in Status Event.	Must submit change request within 31 days of Change in Status Event.	Employee may enroll or increase election for employee, spouse or dependents who lose coverage under spouse's or dependent's employer's qualified DCFSa plan.	
New Election will be effective the first of the month following the status change event, or the first of the month following submission of the change form if later.	New Election will be effective the first of the month following the status change event, or the first of the month following submission of the change form if later	Must submit change request within 31 days of Change in Status Event.	
		New Election will be effective the first of the month following the status change event, or the first of the month following submission of the change form if later.	

D. Dependent Satisfies or Ceases to Satisfy Eligibility Requirements

1. Event by which dependent satisfies eligibility requirements under employer's plan (e.g., attaining a specified age, becoming a student, becoming disabled, etc.)

Employee may enroll or increase election for newly-eligible dependent. In addition, other previously-eligible dependents may also be enrolled under "tag-along" rule.	Employee may increase contribution to take into account expenses of affected dependent.	Employee may increase election to take into account increased dependent care expenses.	Not applicable
	Must submit change request within 31 days of Change in Status Event.	Must submit change request within 31 days of Change in Status Event.	

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Must submit change request within
31 days of Change in Status Event.

New Election will be effective the
first of the month following the
status change event, or the first of the
month following submission of the
change form if later.

New Election will be effective the
first of the month following the
status change event, or the first of the
month following submission of the
change form if later.

New Election will be effective the
first of the month following the
status change event, or the first of the
month following submission of the
change form if later.

2. Event by which covered dependent ceases to satisfy eligibility requirements under employer's plan (e.g., attaining a limiting age, getting married, ceasing to be a student, etc.)

Employee may decrease or revoke
election only for affected dependent.

Must submit change request within
31 days of Change in Status Event.

New Election will be effective the
first of the month following the
status change event, or the first of the
month following submission of the
change form if later

Employee may decrease contribution
to take into account ineligibility of
expenses of affected dependent.

Must submit change request within
31 days of Change in Status Event.

New Election will be effective the
first of the month following the
status change event, or the first of the
month following submission of the
change form if later.

Employee may decrease or revoke
contribution, but only if eligibility for
DCFSA is affected (e.g., dependent
attains age 13).

Must submit change request within
31 days of Change in Status Event.

New Election will be effective the
first of the month following the
status change event, or the first of the
month following submission of the
change form if later

Coverage ends the last day of the
month in which eligibility ends.

E. Change in Place of Residence of Employee, Spouse, or Dependent that affects Eligibility

1. Employee's change of residence causes loss of eligibility (e.g., employee moves outside HMO service area)

Employee may elect coverage under
another benefit package option
providing similar coverage. If no

No change allowed.

Not applicable.

Not applicable.

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option providing similar coverage is available, employee may revoke election.			
Must submit change request within 31 days of Change in Status Event.			
New Election will be effective the first of the month following the status change event, or the first of the month following submission of the change form if later.			
#2 - Significant Cost Changes			
A. Cost Decrease			
If Plan Administrator determines that decrease in cost is significant, Employee may enroll (even if coverage was previously waived).	Not applicable	For significant cost reductions, employee may reduce contribution correspondingly.	Not applicable
Must submit change request within 31 days of the specified event.		Contribution may be reduced or discontinued if dependent care costs end due to a reduction or discontinuation of service.	
New Election will be effective the first of the month following the specified event, or the first of the month following submission of the change form if later.		Must submit change request within 31 days of the specified event.	
No change permitted for “insignificant” decrease in cost as		New Election will be effective the first of the month following the specified event, or the first of the month following submission of the	

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determined by Plan Sponsor.		change form if later.	
B. Cost Increase			
If Plan Administrator determines that cost increase is significant, Employee may elect coverage under another benefit package option providing similar coverage. If no option providing similar coverage is available, employee may revoke election.	Not applicable	For a significant cost increase, employee may increase contribution correspondingly	Not applicable
Must submit change request within 31 days of the specified event.		No change can be made when the cost increase is imposed by a dependent care provider who is a relative of the employee.	
New Election will be effective the first of the month following the specified event, or the first of the month following submission of the change form if later.		Must submit change request within 31 days of the specified event.	
No change permitted for “insignificant” cost increase as determined by Plan Sponsor.		New Election will be effective the first of the month following the specified event, or the first of the month following submission of the change form if later.	
#3 - Significant Curtailment of Coverage (With or Without Loss of Coverage) <i>(e.g., health care plan withdraws from the market or eliminates line of coverage)</i>			
If Plan Administrator determines that the curtailment of coverage is significant, the affected participant may revoke election for curtailed	Not applicable	Not applicable.	Not applicable

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coverage *and* make new prospective election for coverage *or* drop coverage if no similar benefit package option is available.

Must submit change request within 31 days of the specified event.

New Election will be effective the first of the month following the specified event, or the first of the month following submission of the change form if later.

No change permitted for “insignificant” curtailment of coverage as determined by Plan Sponsor

#4 - Addition or Significant Improvement of Benefit Package Option (as determined by Plan Administrator)

If Plan Administrator determines that the addition or improvement is significant, eligible employees (whether currently participating or not) may revoke their existing election and elect the newly-added (or newly-improved) option.

Not applicable

Not applicable

Not applicable.

Must submit change request within 31 days of the specified event.

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New Election will be effective the first of the month following the specified event, or the first of the month following submission of the change form, if later.

No change permitted for “insignificant” curtailment of coverage as determined by Plan Sponsor.

#5 - Change in Coverage Under Other Employer Cafeteria Plan or Qualified Benefits Plan

(e.g., open enrollment under other employer plan)

Corresponding changes can be made under employer’s plan. Not applicable.

Employee may revoke or decrease employee’s, spouse’s, or dependent’s coverage, but only if employee, spouse or dependent is added to spouse’s or dependent’s plan.

Must submit change request within 31 days of specified event.

New election will be effective the first of the month following the date of the specified event or the first of the month following submission of the change form if later.

Corresponding changes can be made under employer’s plan. Not applicable.

Employee may reduce contribution if spouse enrolls in his/her employer’s qualified DCFSA plan.

Must submit change request within 31 days of the specified event.

New Election will be effective the first of the month following the specified event, or the first of the month following submission of the change form if later

#6 - HIPAA Special Enrollment Rights

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A. Special enrollment for loss of other health coverage			
Employee may elect coverage for employee, spouse, or dependent who has lost other coverage (COBRA coverage exhausted or terminated, no longer eligible for non-COBRA coverage, etc.)	Not applicable.	Not applicable	Not applicable
Does not apply to Dental.			
Must submit change request within 31 days of the specified event.			
New Election will be effective the first of the month following the specified event, or the first of the month following submission of the change form if later			
B. Special enrollment for acquisition of new dependent by birth, marriage, adoption or placement for adoption.			
Employee may elect coverage for employee, spouse, or dependent.	HIPAA not applicable.	HIPAA not applicable.	HIPAA not applicable.
Election of coverage may also extend to previously eligible (but not yet enrolled) dependents.	See #1 – Qualified Change in Status Event – A & B	See #1 – Qualified Change in Status Event – A & B	See #1 – A & B
Does not apply to Dental.			
Must submit change request within 30 days of HIPAA special enrollment event.			

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<p>If birth or adoption, coverage is effective on the date of birth, adoption or placement for adoption, providing the request is timely. However, premiums are paid from the first of the first of the month following the birth, adoption or placement.</p> <p>If marriage, new election will be effective the first of the month following marriage, or the first of the month following submission of the change form if later.</p> <p>Note: Under IRS “tag-along” interpretation, new and preexisting dependents may also be enrolled.</p>			

#7 – COBRA Qualifying Events

Loss of eligibility under a spouse's or dependent's plan (e.g., loss of dependent status or reduction in hours, etc.)

Employee may enroll or add dependents who experience a COBRA qualifying event (loss of eligibility) if the individual still qualifies as a tax dependent of employee.	Not applicable.	Not applicable	Not applicable
Must submit change request within 31 days of the COBRA qualifying			

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event.			
New election will be effective the first of the month following the specified event, or the first of the month following submission of the change form if later.			
#8 – Entry of a Qualified Medical Child Support Order (QMCSO)			
A. Order that requires coverage for the child under employee’s plan			
Employee may change election to provide coverage for the child, but only if the order is directed to the State.	Not applicable.	Not applicable	Not applicable
Retroactive changes not permitted.			
Change will be effective the first of the month following receipt of the order.			
B. Order that requires spouse, or other individual to provide coverage for the child			
Employee may change election to cancel coverage for the child, providing other coverage is actually obtained.	Not applicable.	Not applicable	Not applicable
Change will be effective the first of the month following submission of the change form.			

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#9 – Gain or Loss of Medicare or Medicaid Entitlement

A. Employee, spouse or dependent becomes entitled to Medicare or Medicaid.

Employee may elect to cancel coverage for employee, spouse, or dependent, as applicable.

Not applicable

Not applicable

Not applicable

Does not apply to Dental.

Must submit change request within 31 days of the specified event.

New election will be effective the first of the month following the specified event, or the first of the month following submission of the change form if later.

B. Employee, spouse or dependent loses Medicare or Medicaid entitlement.

Employee may elect to commence or increase coverage for employee, spouse, or dependent, as applicable.

Not applicable

Not applicable

Not applicable

Does not apply to Dental.

Must submit change request within 31 days of the specified event.

New Election will be effective the first of the month following the specified event, or the first of the

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month following submission of the
change form if later

#10 – Family Medical Leave of Absence (or Military Leave under USERRA)

A. Employee's commencement of unpaid FMLA leave or unpaid Military Leave

Employee may revoke coverage or
may continue coverage by making
post-tax contributions.

Must submit change request within
31 days of the specified event.

New election will be effective the
first of the month following
commencement of unpaid FMLA
leave or submission of the change
form if later.

Benefits are not payable for expenses
incurred in any month in which
contributions are not made.

Employee may revoke election or
may continue coverage by making
post-tax contributions.

Must submit change request within
31 days of the specified event.

New election will be effective the
first of the month following
commencement of unpaid FMLA
leave or submission of the change
form if later.

Benefits are not payable for expenses
incurred in any month in which
contributions are not made.

Employee may revoke election.

Must submit change request within
31 days of the specified event.

New election will be effective the
first of the month following
commencement of unpaid FMLA
leave or submission of the change
form if later.

Benefits are not payable for expenses
incurred in any month in which
contributions are not made.

Not applicable.

B. Employee's return from FMLA leave or Military Leave

Employee may be reinstated to same
level of coverage in effect prior to the
leave if coverage terminated while
on FMLA leave or Military leave.

Must submit change request within
31 days of the specified event.

Employee may be reinstated if
coverage is terminated while on FMLA
leave or Military leave.

Employee may resume same level of
monthly contribution or may elect
previous annual contribution by
increasing monthly contribution

Employee may be reinstated if
coverage terminated while on FMLA
leave or Military leave.

Employee may resume same level of
monthly contribution or may elect
previous annual contribution by
increasing monthly contribution

Not applicable.

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(divide annual election minus contributions to date by the number of months remaining in the plan year.)

Note: Benefits are not payable for expenses incurred in any month in which contributions are not made even if employee elects the same annual election.

Must submit change request within 31 days of the specified event.

(divide annual election minus contributions to date by the number of months remaining in the plan year.)

Note: Benefits are not payable for expenses incurred in any month in which contributions are not made even if employee elects the same annual election.

Must submit change request within 31 days of the specified event.

Notes:

- The State's Optional Life Insurance plan is not part of the Salary Reduction Plan and is not subject to Section 125 regulations. It is included here as a convenience only.
- If coverage terminates for failure to pay the premium within the grace period, coverage may not be reinstated except as provided under FMLA and Military leave. If cancellation for non-payment of premium occurs, employee may reapply during next open enrollment period.
- The State of Colorado is entitled to recover premiums paid on behalf of a Participant (e.g., during the grace period).
- Retroactive elections are not permitted except as specifically noted (i.e., for newborns and adoptees).
- To the extent that there are inconsistencies between this chart and the source documents (e.g., the Group Master Contracts and/or State of Colorado Salary Reduction Plan Document), the source documents shall prevail.